

## **Board of Finance**

### **Regular Meeting**

**Tuesday, January 14, 2014**

**7:00PM**

**Present:** David Richardson, Ronald Cabana, Wayne Durst, Michael Dougherty, Fred Chmura, Glen Lessig, George McCoy, David Hosmer

**Guests:** Donna Stefanik, Ernie St. Jean, Michael Bernardi, Mark Shamber, Karen Munroe, Kevin Withers, Julie Woodland, Bill Loftus, Daniel Hebert, Dr. Frank Baran, Christine French

#### **1. Call to Order:**

David Hosmer called the meeting to order at 7:00pm. He asks that people who wish to speak to approach the podium and use the microphone. He also informed the audience that the meetings from now on will be taped.

#### **2. Approve Minutes from the December 10, 2013 Meeting:**

George McCoy, seconded by Fred Chmura, moved to approve the December 10, 2013 minutes.  
**Motioned approved.**

#### **3. Interview Mark Shamber for the Board of Finance Alternate Vacancy:**

Mark Shamber outlined his career as a chief financial officer and treasurer at United Foods Inc. He explained that while he does travel frequently for his job, he is able to coordinate his travel schedule and feels that he would not have to miss any regularly scheduled Board of Finance meetings. He further stated that he has lived in Woodstock for ten years, has studied how the voters have voted in past referendums and he is familiar with Proposition 46.

George McCoy, seconded by Glen Lessig, moved to seat Mark Shamber as an alternate member of the Board of Finance. **Motion passed unanimously.**

#### **4. Discuss Board of Education's Special Education and Health Insurance Shortfall:**

Dr. Frank Baran, Superintendent of the Woodstock Public Schools, introduced Daniel Hebert, an insurance broker with Lockton Companies, and a Woodstock resident. Mr. Hebert is the insurance broker for the Woodstock Board of Education.

Mr. Hebert explained to the board members why a self-funded insurance plan is more financially prudent than a fully funded plan. In years when there are not a lot of claims in the self-funded pool there

may be a decrease in the yearly cost, to the plan members. In years when there is an increase in claims, the cost for the members increases. In fully-funded plans the cost of these plans increases steadily every year, whether there are a lot of claims filed or not.

Dr. Baran and Karen Munroe further explained that in low claim years the money that has remained in the self-funded plan has been transferred to an escrow account to help cover costs in the high claim years. However, there have been three large claims recently and the escrow account has been reduced to zero.

After answering several questions from the Board of Finance members in regards to Wellness plans and contractual obligations Dr. Baran explained the overages in the Special Education's costs. Dr. Baran explained that every year the Special Education Department tries to predict costs for each student who qualifies for Special Education. However, as the school year advances these plans change, costs for certain services change, and students move into Town who may need outplacement services. He further stated that the Special Education Department does everything it possibly can to try to keep these students in the district, but occasionally this cannot be done. The State Board of Education does reimburse some of these costs that occur during the year, but not as much as needed. He said most of the increases in costs this year has centered on a handful of students who have very specialized needs.

There was discussion among the Board of Finance members as to how and when this request should be presented to the townspeople. Chair David Hosmer was concerned if this subject went to referendum shortly before the budget referendum that this matter would be defeated. He would prefer to have as much space between the referendums as possible. It was decided to research whether the Board of Education's shortfall request would have to go to referendum or could if it could just be presented at Town Meeting.

**5. Old Business:** None.

**6. Correspondence & Announcements:**

A letter from Dr. Baran indicating that funds from the non-lapsing account would be used towards the study of Woodstock Elementary School's air conditioning.

Donna Stefanik, Town Treasurer, included a quarterly budget report. The Treasurer also stated that all funds for the Fire Departments were paid out in December.

**7. Citizens Comments:** None.

**8. Adjournment:** George McCoy, seconded by Michael Dougherty, moved to adjourn the meeting at 8:53pm. **Motion approved.**

Respectfully submitted,

Christine G. French